

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1588

February 17, 2014

SUMMARY OF BILL: Imposes an annual privilege tax of \$10,000, to be paid by August 1 of each year, on each adult-oriented business and each person engaged in the business of selling, delivering, shipping or transmitting adult-oriented products within Tennessee.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – \$750,000/Recurring

Increase State Expenditures – \$81,600/One-Time

Assumptions:

- Based on information provided by the Department of Revenue, it is assumed that there are 75 adult-oriented establishments that will be required to pay the annual privilege tax of \$10,000, resulting in a recurring increase in state revenue of \$750,000 (75 x \$10,000).
- According to the Department, there would be a one-time increase in state expenditures of \$81,600 for the creation of a new account type and new form type for purposes of posting the tax return and collecting the new tax.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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